



[Home](#) > [Statistics](#) > [Economy](#) > [Price indexes and inflation](#) > [Wage Price Index, Australia](#) > [September 2023](#)
> [Wage Price Index, Australia, September 2023](#)

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Wage Price Index, Australia

The WPI measures changes in the price of labour, unaffected by compositional shifts in the labour force, hours worked or employee characteristics

Reference period September 2023

Released 15/11/2023

On this page

- [Key statistics](#)
- [What's new this quarter](#)
- [Main features](#)
- [Overview](#)
- [Sector wage growth](#)
- [Industry wage growth](#)
- [State and territory wage growth](#)
- [Survey impacts and changes](#)
- [Data downloads](#)
- [Using price indexes](#)
- [Methodology](#)

Key statistics

- In September quarter 2023, the seasonally adjusted WPI rose 1.3% for the quarter and 4.0% over the year.
- The quarterly rise in the private sector was 1.4% and the public sector rose 0.9%, seasonally adjusted.
- The industry with the most significant contribution to wage growth was Health care and social assistance (3.1%).

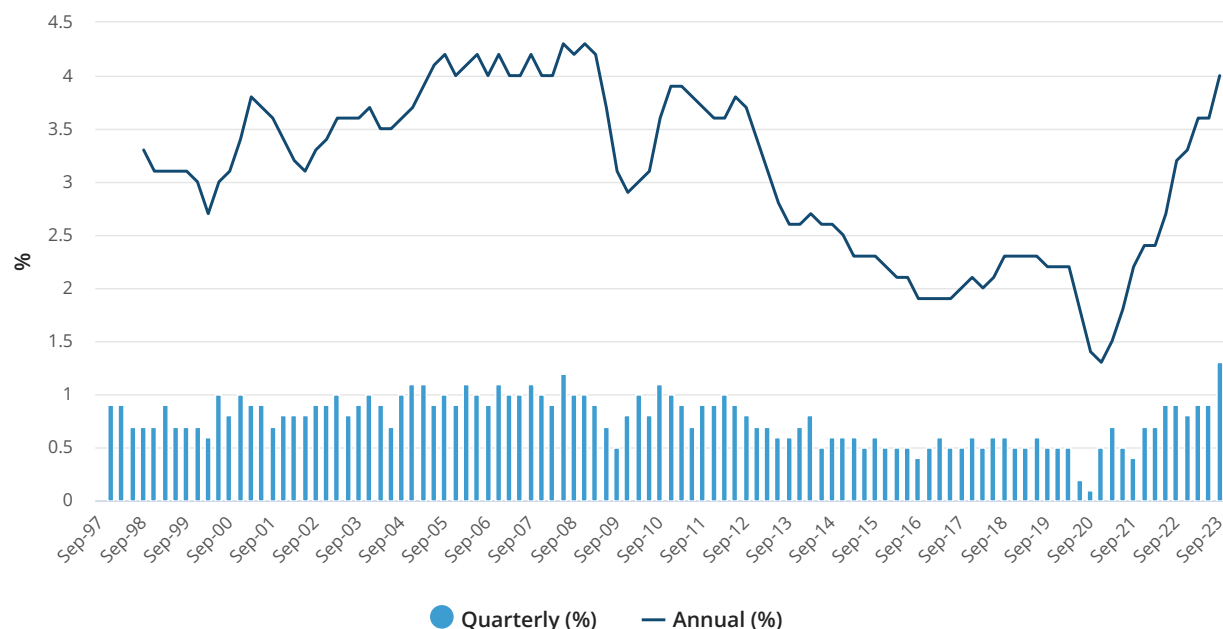
What's new this quarter

This issue includes:

- Updates to the Frequently Asked Questions
- Additional information in Methodology on the method used to calculate the "Contributions to wage growth by method of setting pay" analytical series.

Main features

All sector WPI, quarterly and annual movement (%), seasonally adjusted (a)



a. See Interpretation of index numbers, Percentage change and rounding on the [Methodology \(/methodologies/wage-price-index-australia-methodology/sep-2023\)](#) page.

Wage Price Index (WPI) Total hourly rates of pay excluding bonuses

	Jun Qtr 2023 to Sep Qtr 2023 % change(a)	Sep Qtr 2022 to Sep Qtr 2023 % change(a)
Trend(b)		
Australia	1.0	4.0
Private sector	1.1	4.1
Public sector	0.9	3.4
Seasonally Adjusted(c)		
Australia	1.3	4.0
Private sector	1.4	4.2
Public sector	0.9	3.5
Original		
Australia	1.9	4.1
Private sector	2.1	4.2
Public sector	1.1	3.5

a. See Interpretation of index numbers, Percentage change and rounding on the [Methodology \(/methodologies/wage-price-index-australia-methodology/sep-2023\)](#) page.

b. See Interpretation of index numbers, Trend estimates on the [Methodology \(/methodologies/wage-price-index-australia-methodology/sep-2023\)](#) page.

c. See Interpretation of index numbers, Seasonally adjusted indexes and Seasonal analysis methods on the [Methodology \(/methodologies/wage-price-index-australia-methodology/sep-2023\)](#) page.

Overview

An overall increase in both the proportion of jobs with a wage change and the average size of those hourly wage changes saw seasonally adjusted wages grow 1.3% over the quarter. This is the highest quarterly rise recorded in the 26-year history of the series. The annual rise, at 4.0%, is the highest annual growth recorded for WPI since March

2009.

The private sector was the main contributor to growth (1.4%). The public sector also recorded its highest growth (0.9%) for a September quarter since 2010.

At the Australia all sector level, in the September quarter more jobs recorded a wage movement compared to the same period last year (46% compared to 43% in September quarter 2022). The average wage change was also significantly higher (5.4% compared to 4.0%).

Quarterly wage dynamics, by sector, original

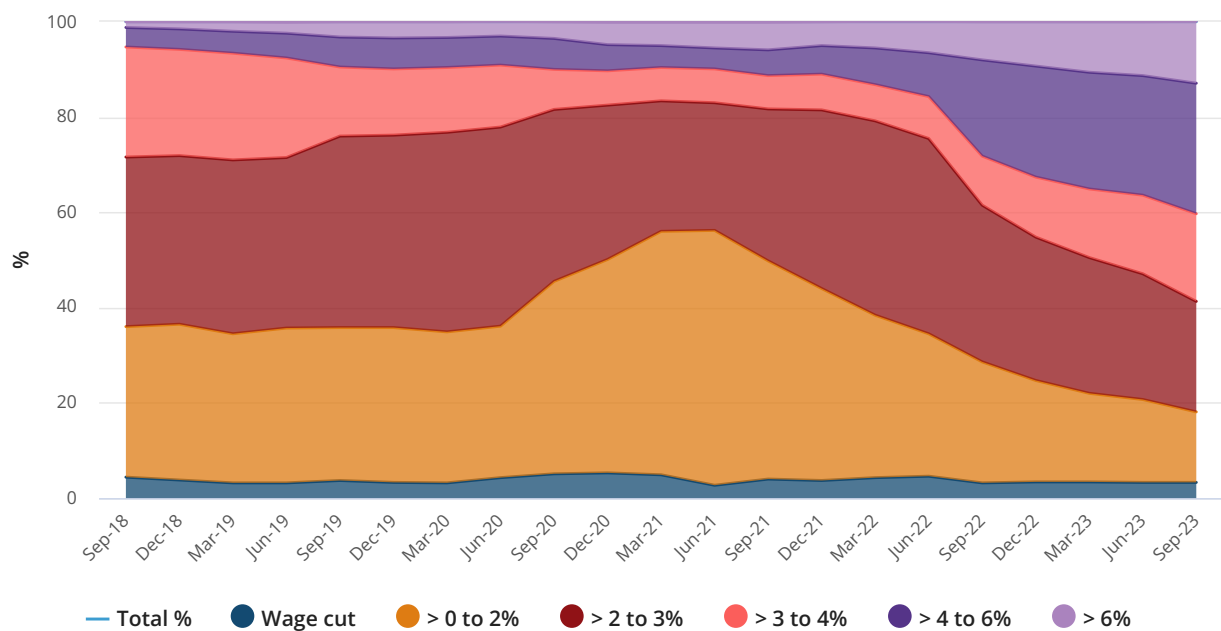
	September quarter 2023 (%)	June quarter 2023 (%)	September quarter 2022 (%)
All Sector			
Percentage of jobs with a wage change	46	13	43
Average weighted wage change	5.4	4.1	4.0
Private Sector			
Percentage of jobs with a wage change	49	12	46
Average weighted wage change	5.8	4.5	4.3
Public Sector			
Percentage of jobs with a wage change	34	15	30
Average weighted wage change	3.3	3.0	2.3

More jobs receiving larger average yearly wage increases

For jobs with a wage movement over the previous four quarters, the share of jobs that recorded an annualised increase above 3% has continued to expand since June quarter 2022.

More than half (59%) of all jobs that recorded a wage change over the previous 12 months received an annualised increase above 3%, compared to 38% of jobs in September quarter 2022.

Wage changes of different sizes (a) (b)



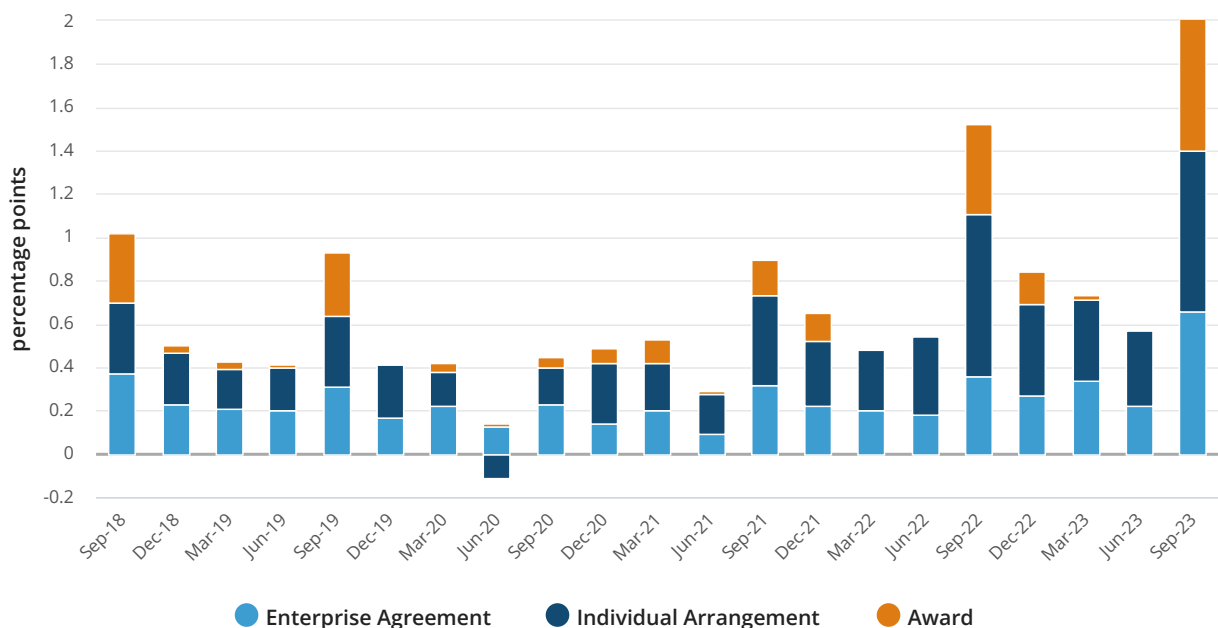
- a. Index series is original, total hourly rates of pay excluding bonuses.
b. Share of jobs that experienced a wage change, smoothed using a four quarter trailing average.

Wage growth driven by wage reviews for individual arrangement jobs

September quarter 2023 wage growth was primarily driven by jobs covered by individual arrangements in the private sector. Higher wage increases were seen as negotiated wage rises were benchmarked against the Fair Work Commission [Annual Wage Review 2022-23](https://www.fwc.gov.au/hearings-decisions/major-cases/annual-wage-reviews/annual-wage-review-2022-23) (<https://www.fwc.gov.au/hearings-decisions/major-cases/annual-wage-reviews/annual-wage-review-2022-23>) and an elevated Consumer Price Index (CPI). Continuing labour market pressures and the need to retain workers with skills in demand also influenced the size of increases.

While not the main driver, wages for jobs covered by awards and enterprise agreements also increased strongly and had higher percentage point contributions to wage growth than historically recorded for a September quarter.

Contributions to quarterly wage growth by method of setting pay, original (a)



- a. Analytical series is total hourly rates of pay excluding bonuses.

The Fair Work Commission sets minimum wage and award rates for workers in Australia through the Annual Wage Review decision. This year, the decision saw award jobs receive an increase of 5.75% effective 1 July 2023. Since the beginning of the pandemic, annual award rises have had a staggered implementation schedule. In 2022, changes to award rates were reflected across both the September and December quarters.

Aged care wage decision increases wage growth in the Health care and social assistance industry

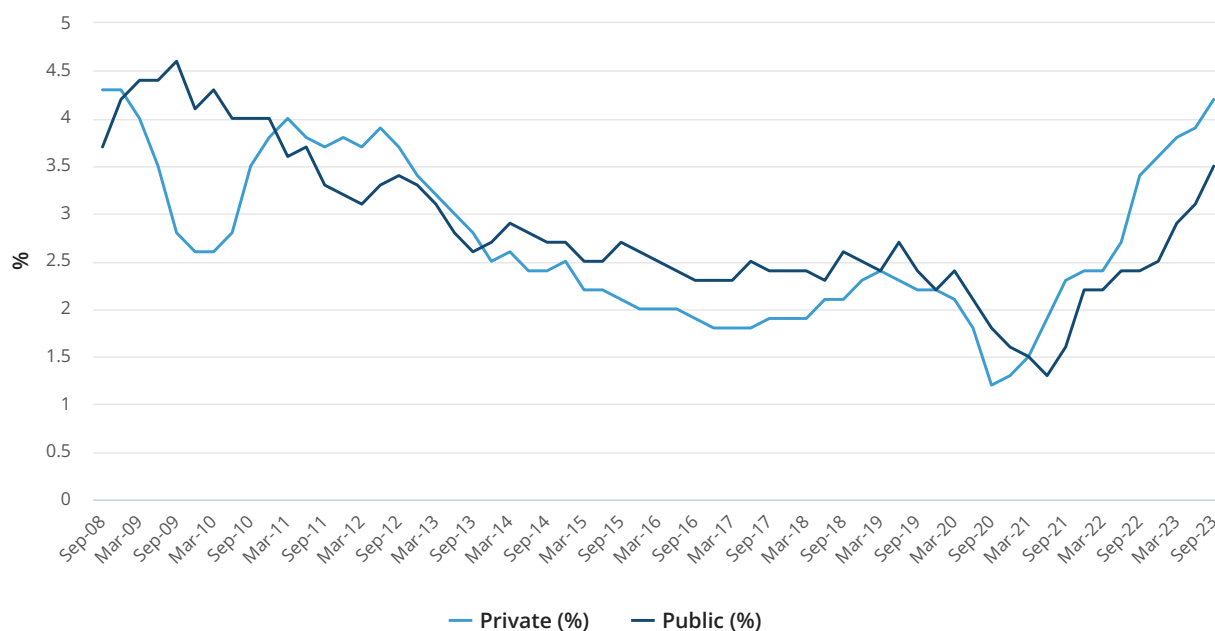
Wage changes for jobs in the Health care and social assistance industry were a significant contributor to overall quarterly wage growth.

September quarter 2023 saw the implementation of wage increases affected by the Fair Work Commission Aged Care Work Value case. This decision provided an increase of 15% for eligible nurses, personal and home care workers, recreational/lifestyle officers and senior food services employees. This led to wage increases of between 5.75% and 21% when including the Fair Work Commission's Annual Wage Review decision.

Sector wage growth

Annually, seasonally adjusted private sector wages growth was higher than the public sector (4.2% compared to 3.5%). This was the highest annual growth for the private sector since December quarter 2008 and for the public sector since June 2011.

Annual wage growth by sector, seasonally adjusted (a)



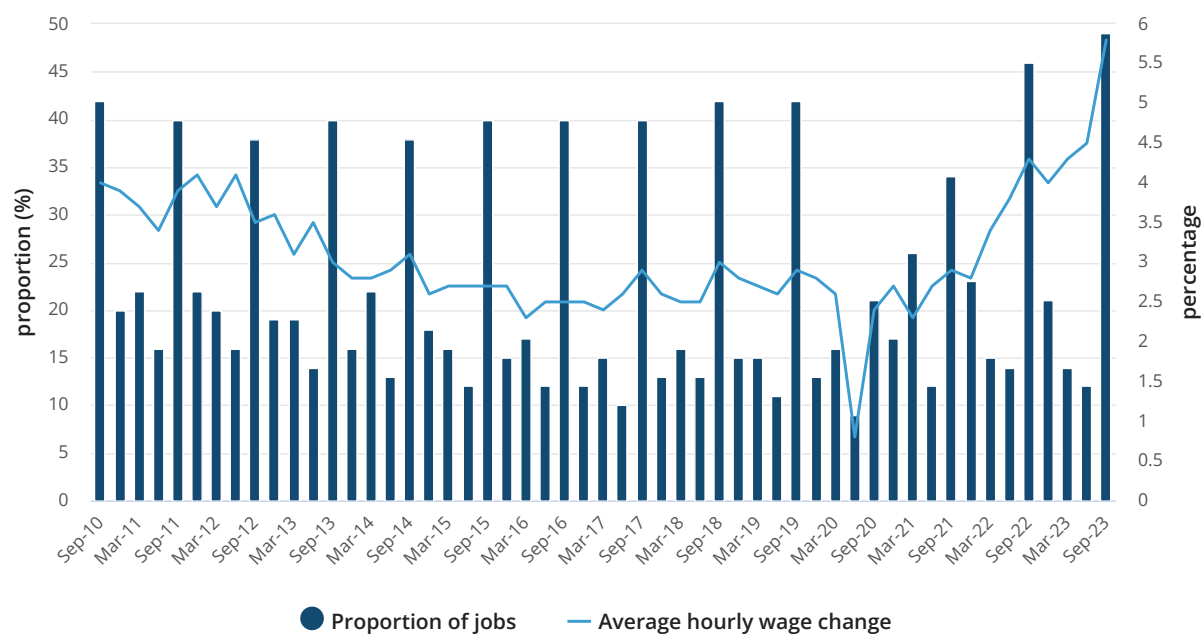
a. See Interpretation of index numbers, Percentage change and rounding on the [Methodology \(/methodologies/wage-price-index-australia-methodology/sep-2023\)](https://www.fwc.gov.au/methodologies/wage-price-index-australia-methodology/sep-2023) page.

Private sector

Almost half of all jobs (49%) in the sector recorded a wage movement, with the average hourly wage increase being 5.8% compared to 4.3% in September quarter 2022. The main drivers were:

- jobs paid by individual arrangement that received structured annual salary reviews.
- scheduled increases from enterprise agreements
- award reliant jobs linked to the Fair Work Commission Annual Wage Review or [Aged Care Work Value case \(https://www.fwc.gov.au/hearings-decisions/major-cases/work-value-case-aged-care-industry/decisions-statements-work-value\)](https://www.fwc.gov.au/hearings-decisions/major-cases/work-value-case-aged-care-industry/decisions-statements-work-value) decisions.

Quarterly wage dynamics in the private sector, original (a)



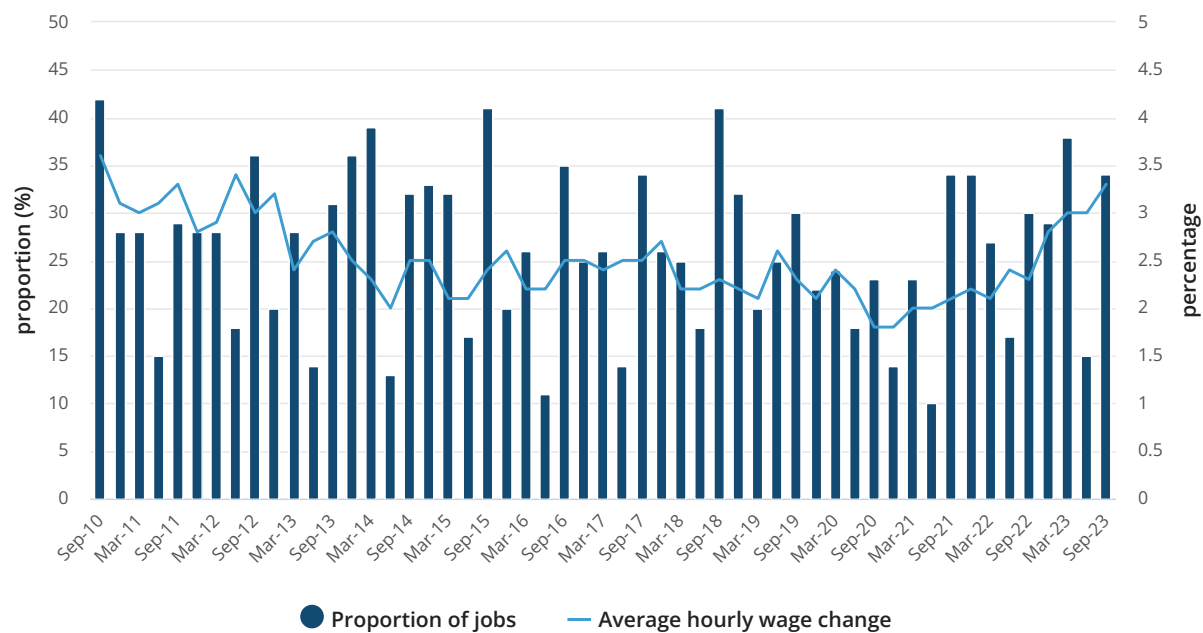
a. Average hourly wage change only includes jobs recording a wage movement in the current quarter.

Public sector

Both the proportion of jobs that received a wage movement (34% compared to 30%) and the size of average hourly wage change for public sector jobs (3.3%, up from 2.3%) increased compared to the same time last year. The public sector has not recorded an average hourly wage change of this size since June 2012 (3.4%).

The size of rises paid to public sector jobs were affected by the ending of former state wage caps and the resolution of wage negotiations. This resulted in initial or backdated increases being paid for jobs covered by newly approved enterprise agreements for state and local governments.

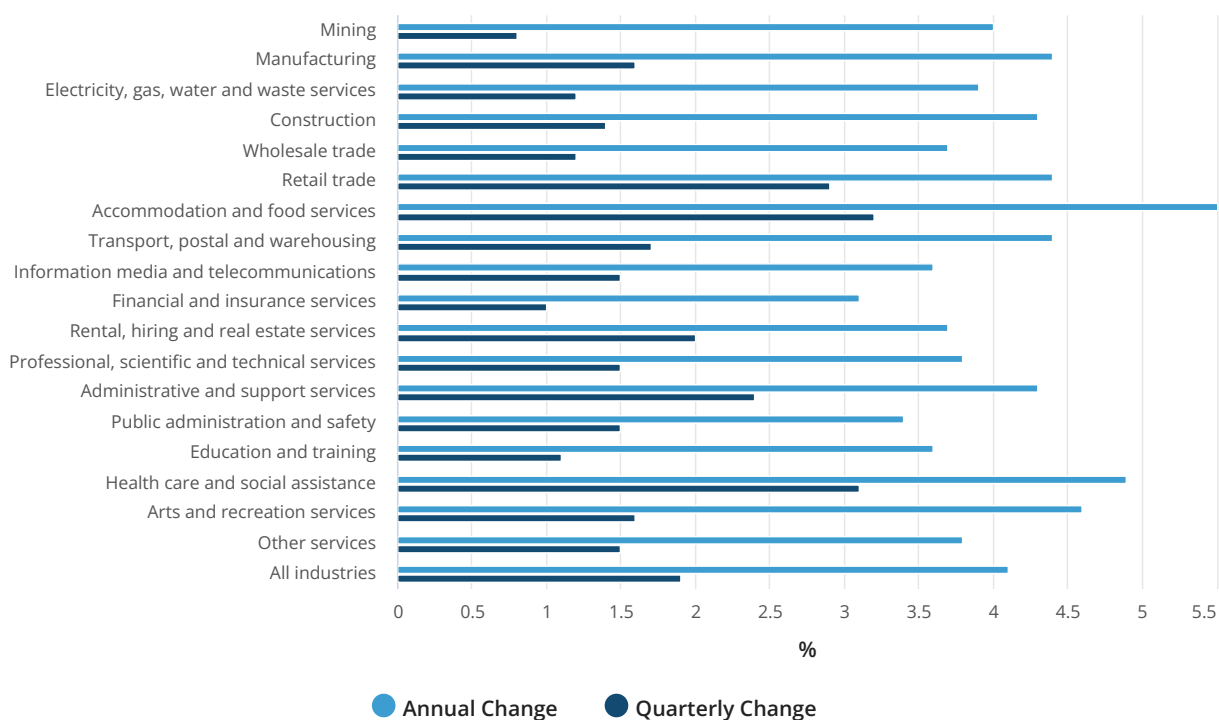
Quarterly wage dynamics in the public sector, original (a)



a. Average hourly wage change only includes jobs recording a wage movement in the current quarter.

Industry wage growth

Annual and quarterly movement - industries (a)



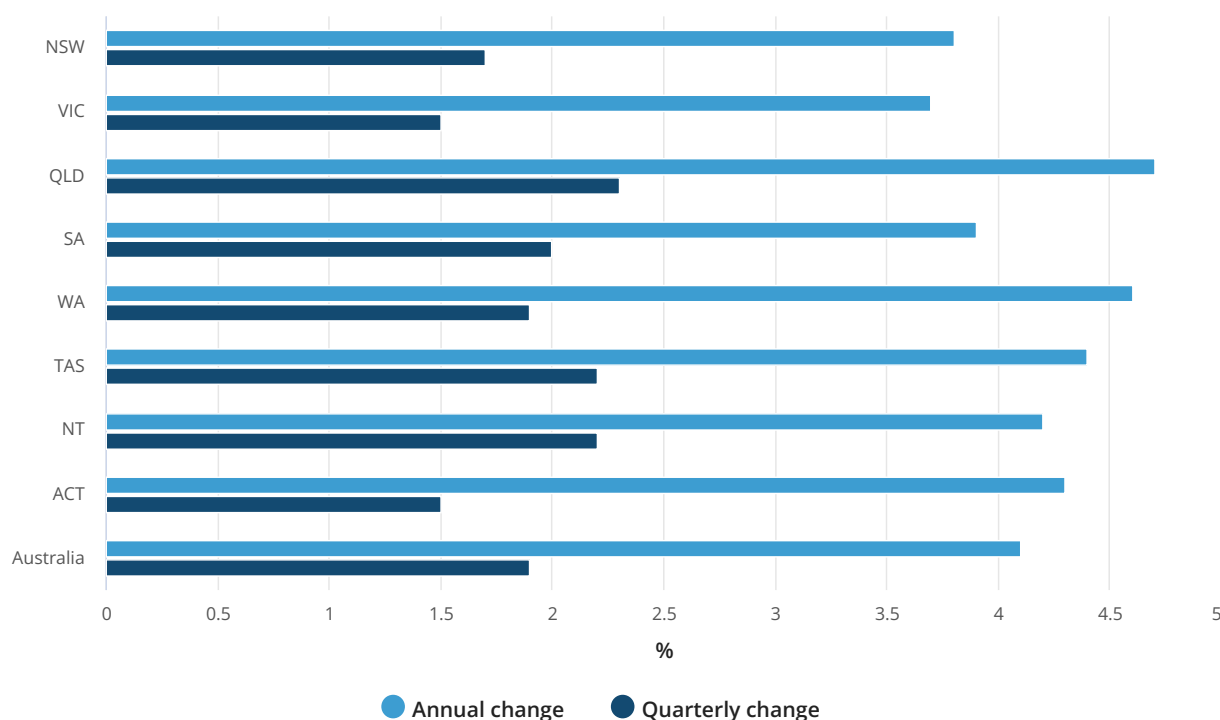
a. Index series is original, total hourly rates of pay excluding bonuses.

Original estimates:

- In original terms, both the highest quarterly and annual growth rates were seen in the Accommodation and food services industry at 3.2% and 5.5%. These are the strongest rates of wage growth recorded for this industry since the commencement of the series. Many hospitality jobs in this industry are paid by award, and some of these received two award increases over the year.
- The Mining industry recorded the lowest quarterly growth (0.8%), while Finance and insurance services recorded the lowest through the year growth (3.1%).
- The Health care and social assistance industry also saw significant wage growth of 3.1% for the quarter and 4.9% annually. This industry had the largest contribution to wage growth. Many jobs in this industry have pay set by award or enterprise agreements with scheduled increases linked to the [Annual Wage Review decision \(https://www.fwc.gov.au/hearings-decisions/major-cases/annual-wage-reviews/annual-wage-review-2022-23\)](https://www.fwc.gov.au/hearings-decisions/major-cases/annual-wage-reviews/annual-wage-review-2022-23) and/or [Aged Care Work value case \(https://www.fwc.gov.au/hearings-decisions/major-cases/work-value-case-aged-care-industry/decisions-statements-work-value\)](https://www.fwc.gov.au/hearings-decisions/major-cases/work-value-case-aged-care-industry/decisions-statements-work-value). The provision of higher wages for aged care workers delivered rises of between 5.75% to 21% for eligible nurses, personal and home care workers, recreational/lifestyle officers and senior food services employees.

State and territory wage growth

Annual and quarterly movement - states and territories (a)



a. Index series is original, total hourly rates of pay excluding bonuses.

Original estimates:

- Queensland recorded the highest quarterly rise (2.3%), the largest for the state since the commencement of the series. Private sector jobs in the in the Health care and social assistance industry were the main driver of state growth. The public sector notably also recorded a larger contribution compared to the same time last year. Through the year growth for the state lifted to 4.7%, which was the largest state movement in Australia as well as the highest annual rise for Queensland since 2006.
- Victoria and the Australian Capital Territory recorded the lowest quarterly wage growth of all the States and Territories at 1.5%. Victoria also recorded the lowest annual wage growth at 3.7%, though this was highest annual wage rise for the state since 2011.
- All states and territories recorded higher quarterly wage growth when compared to the previous September quarter.

Survey impacts and changes

Seasonal adjustment and trend



In June 2020, due to the large and unusual impact of COVID-19 on the economy, the private and All Sector series of the Wage Price Index were moved to the “forward factors” method for seasonal adjustment. This method (as described in the article on [Methods changes due to COVID-19 \(/articles/methods-changes-during-covid-19-period#abs-trend-and-seasonal-adjustment-during-covid-19\)](#)) is better suited in an uncertain environment as the seasonal factors are fixed for a 12 month period. The public sector series remained using the “concurrent” adjustment method, as the disruption was not observed in this sector. The trend estimates were suspended for all series at this time.

The ABS completed their annual review of seasonal adjustment in the WPI in June 2022 and as a result reverted all

series to “concurrent” adjustment, as the series had stabilised. The ABS also reinstated the trend estimates for all series in the WPI in June 2022.

Data downloads

I-Note



The wage price indexes in Tables 1, 2b, 3b, 4b, 5b, 7b, 8b and 9b are updated and released every quarter. The corresponding financial year wage price indexes in Tables 2a, 3a, 4a, 5a, 7a, 8a and 9a are updated and released each June quarter for the preceding financial year. There are no financial year indexes created for Table 1.

Time series spreadsheets

Download all (1.14 MB)

Table 1. Total hourly rates of pay excluding bonuses: sector, original, seasonally adjusted and trend

[Download XLSX](#)

[63.29 KB]

(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2023/634501.xlsx)

Table 2a. Total hourly rates of pay excluding bonuses: all sectors by state, original (financial year index numbers for year ended June quarter)

[Download XLSX](#)

[51.34 KB]

(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2023/634502a.xlsx)

Table 2b. Total hourly rates of pay excluding bonuses: all sectors by state, original (quarterly index numbers)

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[65.05 KB]

(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2023/634502b.xlsx)

Table 3a. Total hourly rates of pay excluding bonuses: private sector by state, original (financial year index numbers for year ended June quarter)

[Download XLSX](#)

[51.35 KB]

(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2023/634503a.xlsx)

Table 3b. Total hourly rates of pay excluding bonuses: private sector by state, original (quarterly index numbers)

[Download XLSX](#)

[65.04 KB]

(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2023/634503b.xlsx)

Table 4a. Total hourly rates of pay excluding bonuses: public sector by state, original (financial year index numbers for year ended June quarter)

[Download XLSX](#)

[51.41 KB]

(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2023/634504a.xlsx)

Table 4b. Total hourly rates of pay excluding bonuses: public sector by state, original (quarterly index numbers)

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[65.54 KB]

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Table 5a. Total hourly rates of pay excluding bonuses: sector by industry, original (financial year index numbers for year ended June quarter)

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[74.41 KB]

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Table 5b. Total hourly rates of pay excluding bonuses: sector by industry, original (quarterly index numbers)

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[139.22 KB]

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Table 7a. Hourly rates of pay including bonuses: sector, original (financial year index numbers for year ended June quarter)

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[49.22 KB]

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Table 7b. Hourly rates of pay including bonuses: sector, original (quarterly index numbers)

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[58.15 KB]

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Table 8a. Ordinary hourly rates of pay excluding bonuses: all sectors by state, original (financial year index numbers for year ended June quarter)

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[51.37 KB]

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Table 8b. Ordinary hourly rates of pay excluding bonuses: all sectors by state, original (quarterly index numbers)

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[65.06 KB]

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Table 9a. Ordinary hourly rates of pay excluding bonuses: sector by industry, original (financial year index numbers for year ended June quarter)

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[74.35 KB]

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Table 9b. Ordinary hourly rates of pay excluding bonuses: sector by industry, original (quarterly index numbers)

[↓ Download XLSX](#)

[139.2 KB]

[\(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2023/634509b.xlsx\)](/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2023/634509b.xlsx)

All WPI series: original (quarterly index numbers)

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[131.04 KB]

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All WPI Series: original (financial year index numbers for year ended June quarter)

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[85.17 KB]

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Data cubes - Distribution of expenditure on wages, wage price index, Australia

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[162.02 KB]

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Create your own tables and visualisations with Data Explorer

Caution: Data in Data Explorer is currently released after the 11:30am release on the ABS website. Please check the reference period when using Data Explorer.

[Wage Price Index \(https://explore.data.abs.gov.au/vis?fs\[0\]=ABS%20Topics%2C1%7CECONOMY%23ECONOMY%23%7CPrice%20Indexes%20and%20Inflation%23PRICE_INDEX_INFLATION%23&pg=0&fc=ABS%20Topics&df\[ds\]=ABS_ABS_TOPICS&df\[id\]=WPI&df\[ag\]=ABS&df\[vs\]=1.2.0&pd=2020-Q1%2C2021-Q2&dq=.THRPEB..TOT..AUS.Q&ly\[cl\]=MEASURE&ly\[rw\]=TIME_PERIOD&ly\[rs\]=TSEST%2CSECTOR\)](https://explore.data.abs.gov.au/vis?fs[0]=ABS%20Topics%2C1%7CECONOMY%23ECONOMY%23%7CPrice%20Indexes%20and%20Inflation%23PRICE_INDEX_INFLATION%23&pg=0&fc=ABS%20Topics&df[ds]=ABS_ABS_TOPICS&df[id]=WPI&df[ag]=ABS&df[vs]=1.2.0&pd=2020-Q1%2C2021-Q2&dq=.THRPEB..TOT..AUS.Q&ly[cl]=MEASURE&ly[rw]=TIME_PERIOD&ly[rs]=TSEST%2CSECTOR)

For information on Data Explorer and how it works, see the [Data Explorer user guide \(/about/data-services/data-explorer/data-explorer-user-guide\)](/about/data-services/data-explorer/data-explorer-user-guide).

Previous catalogue number

This release previously used catalogue number 6345.0.

Using price indexes

Price indexes in contracts

Price indexes published by the Australian Bureau of Statistics (ABS) provide summary measures of the movements in various categories of prices over time. They are published primarily for use in Government economic analysis. Price indexes are also often used in contracts by businesses and government to adjust payments and/or charges to take account of changes in categories of prices (Indexation Clauses).

[Use of Price Indexes in Contracts \(https://www.abs.gov.au/websitedbs/D3310114.nsf/home/Inflation+and+Price+Indexes+-+Use+of+Price+Indexes+in+Contracts\)](https://www.abs.gov.au/websitedbs/D3310114.nsf/home/Inflation+and+Price+Indexes+-+Use+of+Price+Indexes+in+Contracts) sets out a range of issues that should be taken into account by parties considering the inclusion of an Indexation Clause within a contract utilising an ABS published price index.

Frequently asked questions

The article [Frequently asked questions \(FAQs\) about the Wage Price Index \(/articles/frequently-asked-questions-faqs-about-wage-price-index\)](/articles/frequently-asked-questions-faqs-about-wage-price-index) has answers to a number of common questions to do with price indexes and the Wage Price Index, in particular.

Methodology

Scope

The quarterly WPI measures change in the price of wages and salaries in the Australian Labour market over time.

Geography

Quarterly WPI data is published at the national, sector, state and industry level.

Source

Prices for a range of jobs are collected from a sample of private and public sector employers undertaking economic activity across Australia.

Collection method

Prices are collected on a quarterly basis via electronic collection.

Concepts, sources and methods

Information about the data sources and methods used to compile WPI is contained in the [Wage Price Index: Concepts, Sources and Methods \(/statistics/detailed-methodology-information/concepts-sources-methods/wage-price-index-concepts-sources-and-methods/2012\)](#).

History of changes

- Sample redesign 2009
 - Expenditure weights update Dec 2021
 - Wage setting analytical series updated June 2023
-

[View full methodology \(/methodologies/wage-price-index-australia-methodology/sep-2023\)](#)